



COUNCIL  
89th session  
Agenda item 19(d)

C 89/19(d)/Add.1  
11 November 2002  
Original: ENGLISH

## RESOURCE MANAGEMENT

### (d) Work Programme and budget prospects for 2002

#### Note by the Secretary-General

#### SUMMARY

**Executive summary:** This document updates the information on the 2002 work programme and budget prospects provided in document C 89/19(d). It summarizes the forecast overall budgetary position for 2002 and the forecast accumulated cash surplus at 31 December 2002. It seeks the Council's approval for transfers to be made to the Headquarters Capital Fund and Training and Development Fund to finance the acquisition and the implementation of a new Enterprise Resource Planning system.

**Action to be taken:** Paragraph 11

**Related documents:** C 88/18(e) and C 88/18(d)/Add.1

## 1 Introduction

1.1 The Secretary-General's assessment of the work programme and budget prospects for 2002 was reported to the Council in document C 89/19(d). This document presents an updated assessment of the budget prospects for 2002. A summary report of the work programme deliverables, by reference to Major Programmes, is at Annex 1.

2 Council will recall that at its eighty-eighth session, the Council authorized the Secretary-General to make transfers between Major Programmes to the extent that balances are available to cover or reduce deficits in programme appropriation balances. In document C 89/19(d), on the basis of the prevailing forecast out-turn of expenditure for 2002, the Secretary-General provided an estimate of the prospective budgetary transfers. This forecast has been up-dated on the basis of the position at the end of October 2002. Annexes 2 & 3 provide, respectively, the expenditure forecast out-turn by Major Programmes and a summary of the estimated budgetary transfers for the Council's approval in accordance with the Organization's Financial Regulation 3.6. An updated summary analysis of the cost and programme variances is shown at Annex 4.

For reasons of economy, this document is printed in a limited number. Delegates are kindly asked to bring their copies to meetings and not to request additional copies.

3 The factors which have influenced these variances were noted in C 89/19(d). In this connection, Council may recall that the Secretary-General advised the Council at its 88<sup>th</sup> session (C 88/18(e)), that unforeseen and unbudgeted expenditure had arisen, consequential upon the timing of the 2001 General Service salary survey undertaken by the International Civil Service Commission (ICSC). The timing of the promulgation by the ICSC in April 2002 of the salary survey results, entailed the award of an increase of 4.37%, retrospectively from October 2001. The Secretary-General advised the Council in June 2002 that the costs of retrospection and the award would add £257,000 to the Organization's pay-bill against which a provision of £145,500 had been included in the appropriation for 2002. The Secretary-General advised the Council that he hoped these additional costs could be absorbed, without recourse to a supplementary estimate. He is pleased to report this remains the case.

4 The Secretary-General would observe that the relatively high level of savings from unfilled vacancies in 2002 is only partly attributable to the lengthy lead-time of the recruitment processes in advertising, screening and interviewing candidates. Additionally, the filling of a number of planned appointments has been delayed because candidates have been hesitant in taking up appointments, noting the high cost of living in London. The non-award of an adjustment in 2002 to the London post adjustment payable to Professional staff added to these difficulties. However, if the General Assembly approves the recommendation of the ICSC concerning Professional salary scales as noted in C 89/19(a)/Add. 1, the situation may improve. The Secretary-General would note in this connection that recruitment is in hand to fill the position of Maritime Security Officer which appointment the Council endorsed at its 88<sup>th</sup> session. Pending that appointment which it is hoped will be made before the end of 2002, resources have been redeployed by the Secretary-General to help meet the growing demands arising from the implementation of the initiatives and policies promulgated in Assembly resolution A.924(22), which are expected to culminate in the forthcoming Diplomatic Conference on Maritime Security.

5 In summary, the overall budget prospect for 2002 is satisfactory and programme delivery is on course.

### **The year-end position: accumulated surpluses**

6 As Annex 2 shows, a budgetary surplus of some £284,000 is currently forecast. In that connection, the Council will wish to note the overall cash surplus position in the context of the proposed ERP system, and other prospective capital investment in 2003. Table 1 below shows that the overall surplus which could be applied to the Headquarters Capital Fund stands at some £3.6 million, assuming a contribution receipts level in this year of 98% which would be in line with 2001. This total includes the amount of £500,000, which is earmarked for transfer in 2003 to the Headquarters Capital Fund as approved by the Assembly at its 22<sup>nd</sup> session. The total prospective demands during 2003 on the Headquarters Capital Fund are summarized in the table at Annex 5. It may be noted that not all of the demands will necessarily arise in 2003; certainly all investments will be carefully reviewed in terms of their prospective economic returns and prioritised so that the procurement programme matches the resources available.

Table 1

	<u>£</u>
<b>Approved appropriation 2002</b>	<b>20,579,600</b>
Less:	
Estimated direct programme expenditure	16,609,700
Estimated general operating expenses and HQs premises	3,790,900
Total estimated expenditure 2002	<u>20,400,600</u>
<b>Estimated saving on appropriation</b>	<b>179,000</b>
Forecast TC support cost reimbursement	400,000
Estimated support cost reimbursement	<u>(274,200)</u>
Excess over estimated support cost reimbursement	125,800
Forecast miscellaneous income including transfer from the PF	600,000
Estimated miscellaneous income including transfer from the PF	<u>(600,000)</u>
Excess over estimated miscellaneous income	-
Forecast direct and indirect cost recovered from the Printing Fund	782,100
Estimated direct and indirect cost recovered from the Printing Fund	<u>(802,900)</u>
Deficit over estimated cost recovered from the Printing Fund	<u>(20,800)</u>
Total estimated excess miscellaneous income 2002	105,000
<b>Estimated excess of income over expenditure for 2002</b>	<b>284,000</b>
Estimated Members' contributions outstanding for 2002 (based on 98% receipts)	<u>(294,033)</u>
<b>Estimated cash deficit for the period ending 31/12/02</b>	<b>(10,033)</b>
<b>Accumulated surpluses as at 1 January 2002</b>	<b>6,133,493</b>
Transfers to other Funds	
Headquarters Capital Fund	01/01/2002 (500,000)
Termination Benefit Fund	01/01/2002 <u>(250,000)</u>
<b>Estimated reserves and fund balances as at 31 December 2002</b>	<b>5,383,493</b>
Less:	
Estimated unpaid contributions as at 31/10/02 from previous financial periods	<u>(1,487,151)</u>
<b>Estimated cash surplus for previous financial periods</b>	<b>3,896,342</b>
<b>Estimated accumulated cash surplus as at 31 December 2002</b>	<b>3,886,309</b>
<b>Transfers to other Funds - Resolution A.906/22</b>	
Termination Benefit Fund	01/01/2003 <u>(250,000)</u>
<b>Estimated accumulated cash surplus as at 1 January 2003</b>	<b>3,636,309</b>

7 However, there are a number of concerns relating to the current and future funding of the Organization's capital expenditure programme which the Secretary-General would wish to recall and underline. First, the absence of any funding in the regular budget for capital projects which serve the Organization's core operational requirements – whether in respect of the Headquarters building itself, or IT infrastructure or communication systems - has meant that all the Organization's capital programmes have been resourced from extra-budgetary funds. However, it is very evident from the prospective demands for 2003 that, over the next two years these traditional sources of funding will be virtually exhausted. Moreover, tough budgetary disciplines coupled with rising operating costs will mean a material decline in the level of budgetary surplus. Similarly, policy decisions which have been taken concerning the transfers of surpluses from the Printing Fund to the Technical Co-operation Fund and the growing contribution of the Printing Fund income to support the regular budget, mean that future extra-budgetary resources will be considerably less.

8 Second, and more immediately, the level of demands for capital investment in 2003 will mean that the budget for the ERP will need to be set prudently and very carefully managed to ensure that there are no cost-overruns or delays in the project and to ensure that other capital programmes can be accomplished.

9 Third, the Secretary-General considers that for 2004-2005 and beyond that, the Organization's core capital needs will need to be established and financed on a secure and sustained basis through the inclusion of a specific budget line in the regular budget. The Secretary-General will provide the Council, at its June 2003 session, with his assessment of the minimum capital expenditure requirements for 2004-2005 and the longer-term, in the context of the Strategic Plan.

10 In summary, the Council will note the significance of the ERP investment in relation to the total resource available, recognizing that this investment would otherwise fall fully upon the regular budget.

## **11 Action requested of the Council**

11.1 The Council is invited to:

- .1 take note of the information contained in this document;
- .2 note the forecast out-turn level of expenditure for 2002 and the estimated transfers between the Major Programmes; further to the approval given by the Council at its eighty-eighth session, to authorize the Secretary-General to make transfers between Major Programmes to the extent that balances are available to cover or reduce deficits in programme appropriation balances;
- .3 note the measures taken by the Secretary-General to finance in 2002 the cost of the salary scale increase for General Service staff following the salary survey and approved by the Council as recommended by the International Civil Service Commission including the costs of retrospection;

- .4 note the measures taken by the Secretary-General to finance the meet the new demands on safety and security arising from Assembly resolution A.924 (22);
- .5 endorse the Secretary-General's proposal in C 89/19(d) for a supplementary estimate for the Printing Fund to finance additional demands arising from the printing and publishing programme;
- .6 endorse the Secretary-General's actions in sustaining the Change Management Programme by drawing temporarily upon the balances of the Headquarters Capital Fund, as set out in C 89/19(d) to finance the Training and Development Fund;
- .7 note the forecast cash position of the Organization's reserves at 31 December 2002, and agree to transfer of up to £3.3 million to the Headquarters Capital Fund and £0.2 million to the Training and Development Fund;
- .8 note the prospective demands on the Headquarters Capital Fund, including the ERP in 2003;
- .9 approve the funding of ERP as priority item;
- .10 note with concern the depletion of the Headquarters Capital Fund reserves and look forward to the Secretary-General's proposals for future demands in the 2004-2005 biennium;
- .11 note the authority given to the Secretary-General by the Assembly at its twenty-second session in Assembly resolution A.906(22) to draw, if necessary, on the Printing Fund, the Headquarters Capital Fund, the Technical Co-operation Fund and the Termination Benefit Fund monies to finance the approved regular budget programme appropriations; and
- .12 urge Member States to remit their assessed contributions promptly in accordance with the Organization's Financial Regulations and Rules.

\*\*\*



**ANNEX 1****STATUS REPORT ON MAJOR PROGRAMMES  
AS AT 30 SEPTEMBER 2002****MAJOR PROGRAMME 1 – GENERAL POLICY AND DIRECTION**

This major programme comprises:

1. Governance (Assembly and Council)
2. Office of the Secretary-General
3. Internal Oversight
4. Change Management Programme

1 This major programme includes expenditure on the Organization's governance in respect of the costs of Council meetings and Assembly every other year. The Programme also includes the costs of the Secretary-General, his office and the costs of the associated staff.

2 The Secretary-General's Change Management Programme (CMP) including the reorganization reform and development as well as the strengthening of the accounting, financial and budgetary control systems continued. Since the 88<sup>th</sup> session of Council, an agreed framework has been identified for the improved implementation of technical co-operation, a residential leadership workshop for senior managers and one workshop on change management and personal effectiveness for section heads were conducted with three more scheduled for this year and work commenced on defining the way forward for the Human Resource Development Programme. An initial Request for Expression of Interest was issued for the procurement of an Enterprise Resource Planning (ERP) system. Eleven companies responded and six were short listed and invited to submit a detailed proposal. Three of the five companies that responded were further invited to provide scripted demonstrations. A final assessment has been made and a supplier recommended. Further details of the CMP are provided in documents C89/11, C89/11/Add.1 and C89/11 Add.2.

3 Since the Council's last session, the Internal Oversight Section (IOS) completed the evaluation of four training events and 14 are in process. Additionally, two audits covering activities in the Administrative Division and a project office are in progress. Audits of the separation entitlements of 10 employees were completed. IOS continued to provide support to Deloitte & Touche for the procurement project for an ERP system and served as a member on the Steering Committee for this project. IOS also served as the focal point for matters originating from the Joint Inspection Unit and provided information and comments on various reports.

## **MAJOR PROGRAMME 2 – MARITIME SAFETY**

This major programme comprises:

1. Direction and management
2. Training and human element matters
3. Stability, load lines and fishing vessels safety
4. Ship design and equipment
5. Fire protection
6. Radiocommunications and search and rescue
7. Navigational operations and equipment
8. Bulk liquid and gases
9. Dry cargoes and containers
10. Technical co-operation and institutional development: Implementation of safety programme

### **1 Direction and management**

1.1 The Secretariat, under this programme, provided management and direction within the Maritime Safety Division for the coordination and implementation of the various sub-programmes which falls within the purview of the Division and cross sectoral activities. In this regard, activities relating to the preparation and organization of meetings of the 7<sup>th</sup> session of the BLG Sub-Committee, the 48<sup>th</sup> session of the NAV Sub-Committee, the 45<sup>th</sup> session of the SLF Sub-Committee and the 7<sup>th</sup> session of the DSC Sub-Committee were successfully carried out.

1.2 Based on the decisions taken by the 75<sup>th</sup> session of the Maritime Safety Committee, the Secretariat has executed about 130 specific actions and tasks requested of it. In doing so, final edited text of resolutions, circulars, recommendations and draft amendments were produced and preparatory work attendant to the decisions of the MSC relating to its subsidiary bodies has been undertaken.

1.3 In addition, and following the decision of the 22<sup>nd</sup> regular session of the Assembly and the 1<sup>st</sup> extra-ordinary session of the Maritime Safety Committee (MSC) in November 2001, the Secretariat has devoted substantial resources and effort in the preparation and servicing of the second MSC Intersessional Working Group on Maritime Security, during which significant proposals for amending SOLAS 74 and the development of the proposed new International Ship and Port Facility Code were advanced. The Secretariat has been coordinating, organizing and providing the normal secretarial support for the upcoming 76<sup>th</sup> session of the Maritime Safety Committee, which will consider and adopt amendments to SOLAS 74 and the INF Code, Traffic Separation Scheme, and Ship Reporting Systems. Preparation for the Diplomatic Conference on Maritime Security to be held



in December of this year has had an increasing impact on the resources of the Secretariat to support this sub-programme.

1.4 The Secretariat was involved in the preparation and provided secretarial support to the Meeting of Chairmen of the MSC, MEPC, FAL and TC Committees and Chairmen of the MSC/MEPC sub-committees, which was held on 15 June 2002. The meeting addressed issues included in the terms of reference endorsed by the twenty-second session of the Assembly and matters related to the review of the structure and work of the sub-committees as mandated by the Committees and the eighty-eighth session of Council.

1.5 The Secretariat continued to provide direction and management in the execution of major programme 6 on Cross Sectoral Activities, major programme 5 on Facilitation of Maritime Traffic and the implementation of the Organization's Integrated Technical Co-operation Programme.

1.6 The subject of large passenger ship safety, involving several sub-committees, has demanded significant efforts from the Secretariat. Further, bulk carrier safety, particularly the items emanating from the reports into the loss of the bulk carrier **Derbyshire** and the various associated FSA studies undertaken, as well as the finalization of the text of amendments to SOLAS and other mandatory instruments, has continued to be the focus of attention of the Secretariat. Co-operation, monitoring and follow-up actions related to IMO's common work with technical international organizations (e.g. IEC, ISO, IACS, ITU, etc.) and participation in international conferences and seminars relating to technology topics of interest to IMO have also continued.

## **2 Training and human element matters**

2.1 The Secretariat, in addition to executing the follow up action to the 33<sup>rd</sup> session of the STW Sub-Committee, supported panels of competent persons to evaluate the information communicated by STCW Parties. The process is continuing with initial evaluations on-going in respect to 13 STCW Parties and work is underway on other reports in respect of a further 10 STCW Parties.

2.2 Under the technical assistance programme, the Secretariat, assisted by external consultants as necessary, has provided advice and guidance on the STCW Convention, ISM Code and related issues, including seminars on assessment, examination and certification of seafarers; quality standard systems and ISM Code auditing. Seminars have also been successfully delivered in order to assist Parties to implement effective maritime English training programmes. Preparatory work and the development of seminar materials for the series of seminar/workshops aimed at raising awareness of the STCW-F Convention and the requirements for training and certification of fishing vessel personnel was commenced during the period under review. The programme of translating IMO model courses into the French and Spanish languages continues with fifteen completed and a further four underway.

2.5 The Secretariat took every opportunity to raise awareness of the deadline for implementation of the ISM Code for ships under phase 2 (cargo ships and MODUs of 500 gross tonnage and upwards) and awareness of the need for STCW Parties to issue endorsements of recognition to seafarers holding certificates issued by other Parties serving on their ships.

### **3 Stability, load lines and fishing vessels safety**

3.1 The Secretariat, in addition to serving the scheduled session of the SLF Sub-Committee, has continued carrying out intersessional work regarding, principally, the comprehensive review of SOLAS chapter II-1, the revision of the fishing vessel safety Code and Voluntary Guidelines and the review of the Intact Stability Code. In preparation for MSC 76, the Secretariat has carried out all the preparatory work for the Committee's consideration, with a view to approval, of the draft amendments to the 1988 Load Line Protocol, aimed, *inter alia*, at enhancing bulk carrier safety.

### **4 Ship design and equipment**

4.1 The Secretariat, in addition to serving the scheduled session of the DE Sub-Committee, has continued carrying out the intersessional work dealing with a number of issues such as amendments to the Guidelines on the enhanced programme of inspections during surveys of bulk carriers and oil tankers (resolution A.744(18)); the safety of ships operating in Arctic ice-covered waters; standards for ship manoeuvrability; interim guidelines for WIG craft; and measures to prevent accidents with lifeboats, large passenger ship safety; guidelines for on-board NO<sub>x</sub> monitoring and recording devices and performance testing and approval standards for SOLAS personal life-saving appliances, among others.

### **5 Fire protection**

5.1 As well as serving the scheduled meeting of the FP Sub-Committee, the Secretariat, has pursued consequential tasks dealing with a number of issues such as performance testing and approval standards for fire safety systems; unified interpretations of SOLAS chapter II-2, the Fire Safety Systems Code and related fire test procedures; revision of resolution A.654(16); revision of the fishing vessel Safety Code and Voluntary Guidelines; large passenger ship safety; and the analysis of fire casualty records, among others.

### **6 Radiocommunications and search and rescue**

6.1 The Secretariat, in addition to finalizing its work form COMSAR 6, has undertaken preparatory work for MSC 76 and COMSAR 7 and has also participated in the work of the ITU Plenipotentiary Conference (PP-02) and reported the outcome to MSC 76, for consideration.

6.2 The Secretariat updated the Global Maritime Distress and Safety System (GMDSS) Master Plan and issued the latest information concerning shore-based facilities installed worldwide. Based on submissions by Member Governments the Secretariat has been updating the International Maritime SAR plan data containing information on the current availability of SAR services, by means of the IMO electronic chart office information system.

6.3 Under the MOU between ROCRAM and IMO, the Secretariat together with other consultants prepared and conducted a regional Seminar and Workshop on SAR and GMDSS for ROCRAM countries. With the assistance and help provided by the ICAO Secretariat and the Maritime Administration of Hong Kong, China, the Secretariat has also prepared and conducted the 9<sup>th</sup> session of the Joint ICAO/IMO Working Group on Harmonization of Aeronautical and Maritime SAR. The report has been submitted to COMSAR 7 for consideration.

## **7 Navigational operations and equipment and Maritime security**

7.1 Pursuant to the adoption of resolution A.924(22) on Review of measures and procedures to prevent acts of terrorism which threaten the security of passengers and crews and the safety of ships and following the previously reported meeting of the Intersessional MSC Working Group on Maritime Security (ISWG), the Secretariat has provided secretarial services for the second ISWG meeting (9 to 13 September 2002). Preparations for the forthcoming Maritime Security Working Group at MSC 76 (2 to 13 December 2002) and the Maritime Security Conference (9 to 13 December 2002) have drawn on substantial resources of the Secretariat.

7.2 The Secretariat has continued to give technical/expert assistance for the implementation of the global technical co-operation programme on Maritime Security and has attended four out of the first seven seminars and workshops of this project. Additionally the Secretariat has attended five international meetings, outside IMO, related to the subject matter in the period under review.

7.3 The Secretariat, in addition to the preparatory work for NAV 48, has provided secretarial services to that meeting held in July of this year. The Secretariat has also attended one World Meteorological Organization meeting relating to meteorological and weather forecasting issues. Co-ordination of follow-up meeting to be held on piracy and armed robbery matters have been undertaken with relevant Governments and organizations e.g. ROCRAM and MOWCA.

## **8 Bulk liquids and gases**

8.1 As well as serving the scheduled meeting of the BLG Sub-Committee, the Secretariat, has continued to provide support in a number of issues such as the probabilistic methodology for oil outflow analysis; revision of the fire protection requirements of the IBC and IGC Codes; evaluation of safety and pollution hazards of chemicals and preparation of consequential amendments; requirements for personnel protection involved in the transportation of cargoes containing toxic substances in all types of tankers; Ship recycling-related matters; and amendments to requirements on electrical installations in the IBC and IGC Codes, among others.

## **9 Dry cargoes and containers**

9.1 The Secretariat continued the preparation for and provided secretariat services to the 7<sup>th</sup> session of the DSC Sub-Committee. The secretariat participated in the meetings of the UN ECOSOC Sub-Committee of Experts on the Transport of Dangerous Goods and the IAEA First Revision Panel for the 2005 Revision of the IAEA Regulations. Substantial resources were devoted to proofing the text of the IMDG Code 2002 edition which has now been printed. In addition the Secretariat has conducted two regional training courses on the Implementation of the IMDG Code in Asmara, Eritrea and Alexandria, Egypt.

## **10 Technical co-operation: Implementation of safety programme**

10.1 The Secretariat has continued to coordinate and monitor, from the technical viewpoint, the provision of technical co-operation assistance through the implementation of the Integrated Technical Co-operation Programme (ITCP) relating to maritime safety. In this respect, the Secretariat has been involved in the development of appropriate terms of reference for various activities, identification and briefing of consultants, technical evaluation and clearance of consultants' reports. During the period covered by this report, substantial resources were devoted to

the organization and implementation of over 17 regional and national training courses, workshops and seminars worldwide, which were dedicated to human resource development in the various core disciplines in maritime safety. In this regard, over 300 personnel from maritime Administrations and training institutions received specialist tuition and advice. The major part of these activities, which were undertaken by the Secretariat over the period covered by this report include: enhancement of flag State administrations; support to emerging port State control (PSC) agreements and promoting the harmonization of PSC activities; implementation of the IMDG Code; enhancement of training and examination procedures; promoting the GMDSS and the global Search and Rescue plan; and promoting the need for improved safety on non-convention ships and inland water transport.

## **MAJOR PROGRAMME 3 – MARINE ENVIRONMENT PROTECTION**

This major programme comprises:

1. Direction and management
2. Amendments to and implementation of MARPOL and related codes
3. Pollution Preparedness and Response (OPRC Convention, OPRC-HNS Protocol)
4. Management of Waste Disposal at Sea in Relation to the London Convention 1972 and the 1996 Protocol thereto
5. GESAMP and GIPME
6. Follow-up to UNCED
7. Technical Co-operation and Institutional Development:  
Implementation of Environmental Programme

### **1 Direction and Management**

1.1 Under the major programme for marine environment protection, the Secretariat provided management and direction within the Marine Environment Division for the co-ordination and implementation of the various sub-programmes which fall within the purview of the Division and cross-sectoral activities. In this regard, activities relating to the preparation of meetings of the 48<sup>th</sup> session of MEPC, the 7<sup>th</sup> session of the BLG Sub-Committee, the 24<sup>th</sup> Consultative meeting of Contracting Parties to the London Convention 1972, the meeting 25<sup>th</sup> of the London Convention Scientific Group, the ESPH Working Group, the GESAMP/EHS Working Group, the intersessional meetings of the Ballast Water Working Group and the OPRC Working Group were successfully carried out.

1.2 The Secretariat continued to perform its duties and responsibilities as required in the execution of cross-sectoral activities in order to assist the DE Sub-Committee, the NAV Sub-Committees, the FSI Sub-Committee, the DSC Sub-Committee and the SPI Working Group.

1.3 The Secretariat devoted substantial resources and effort in the organization and servicing of the 3<sup>rd</sup> R&D Forum and the IMO/UNEP Forum on regional co-operation.

1.4 Co-operation with intergovernmental bodies and international organization on matters related to marine environment protection and sustainable development has continued by the Secretariat.

### **2 Pollution prevention**

#### ***- Harmful aquatic organisms in ballast water***

2.1 The Secretariat continued to assist the MEPC Ballast Water Working Group and the MEPC in the preparation of a draft International Convention for the Control and Management of

Ships' Ballast Water and Sediments, including preparation of relevant guidelines, with a view to adoption at a diplomatic conference which is now tentatively planned for early 2004.

***- Recycling of ships***

2.2 The Secretariat assisted the Working Group on Ship Recycling and the MEPC, which produced preliminary draft guidelines and a draft Assembly resolution at MEPC 48. The Committee agreed to continue its work on these matters as its next session.

***- Prevention of air pollution from ships***

2.3 The Secretariat continued to assist the Working Group on Air Pollution and the MEPC in developing an IMO strategy on greenhouse gas reduction to be adopted by an Assembly resolution.

***- Condition Assessment Scheme (CAS)***

2.4 The Secretariat assisted the MEPC which adopted the amendments to the CAS by resolution MEPC.99(48).

2.5 The Secretariat has established an electronic database for the Condition Assessment Scheme, which became operational on 1 September 2002.

***- List of substances annexed to the 1973 Intervention Protocol***

2.6 The Secretariat prepared, and the MEPC approved at its 47<sup>th</sup> session, the amendments to the list of substances annexed to the 1973 Intervention Protocol which were adopted at MEPC 48 by resolution MEPC.100(48).

***- Identification and protection of special areas and particularly sensitive sea areas (PSSAs)***

2.7 The Secretariat assisted the MEPC which approved the Guidance Document for submission of PSSA proposals which will be issued as MEPC/Circ.398. The Committee designated the Wadden Sea of Denmark, Germany and the Netherlands as a new PSSA by resolution MEPC.101(48). The MEPC approved, in principle, the designation of the Paracas National Reserve of Peru as a new PSSA, pending consideration of a proposal "Areas to be Avoided" by the NAV Sub-Committee. The Committee also approved proposed amendment to regulation 10 of MARPOL Annex I with a view to designating the Oman area of the Arabian Sea as Special Area under MARPOL Annex I.

***- Harmful effects of the use of anti-fouling systems for ships***

2.8 The Secretariat assisted the FSI Sub-Committee in preparing the Guidelines for Survey and Certification of Anti-fouling Systems on Ships, which were adopted by the MEPC by resolution MEPC.102 4(48).

***- Pollution categorization system***

2.9 The Secretariat assisted the ESPH Working Group in determining the effect of the proposed criteria for assigning Pollution Categories and Ship Types on those products subject to the IBC Code. The Secretariat also assisted the Group in determining the effect of the revised criteria for

assigning carriage requirements on those products subject to the IBC Code. This was made possible by the Secretariat's continued development of a computerised database designed to store toxicology and environmental data in a form that allowed it to be manipulated in any manner deemed appropriate by the Group.

2.10 The Secretariat assisted the GESAMP/EHS Working Group in re-evaluating those products subject to the IBC Code under the revised GESAMP Hazard Evaluation Procedure in line with the Globally Harmonized System resulting from the 1992 UNCED Conference. This has involved the collection and collation of toxicological and environmental data and storing it in the same database referred to above to facilitate the selection of appropriate values, by the Group, to reflect the hazards of the product in the form of a Hazard Profile for further consideration by the ESPH Working Group.

### **3 Pollution preparedness and response**

#### **- OPRC matters**

3.1 The Secretariat, in addition to servicing the intersessional meeting of the OPRC Working Group, performed the following functions and activities:

##### **.1 Information services**

- a) the Secretariat carried out intensive work in finalizing the revised Section IV of the Manual on Oil Pollution Combating which has been approved for publication by MEPC 48.
- b) the Secretariat assisted the OPRC Working Group in finalizing the text of the draft Guidance document on bioremediation with a view to its approval by the Committee at its future session.
- c) the Secretariat continued to maintain and update the databases on the IMO websites of:
  - the list of national operational contact points
  - the catalogue on computer programmes
  - the directories of centres of expertise
- d) The Secretariat, following a recommendation of the IMO/UNEP Forum on regional arrangements, is currently developing a specific section on the IMO website dedicated to regional co-operation on preparedness and response to pollution incidents.

##### **.2 Education and training**

- a) The Secretariat, with the assistance of the Institute of Marine Engineering, Science and Technology (IMarEST) prepared a draft new OPRC Model Training Course "Foundation Level for Managers and Operators" which shall be finalized for its adoption at a future MEPC meeting.

- b) The Secretariat, with the financing support of the ITCP, recruited a consultant who reviewed the existing Level 1, 2 and 3 OPRC model training course material and prepared conclusions and recommendations. The Secretariat, on the basis of the recommendations, approved by the OPRC Working Group and subsequently by the MEPC, is in the process of recruiting a consultant to undertake the revision of the model courses material.
- c) The Secretariat continued to provide on request the OPRC model training course material to the accredited or approved training organizations.

### .3 Technical assistance

Following the tanker “Limburg” incident on 6 October 2002 which resulted in an oil spill affecting the coastline of Yemen and subsequent to the request for assistance made by the Yemen Authorities, the Secretariat organized a two-man mission to advise the authorities of Yemen on matters pertaining to damage assessment and preparation of claims, and to clean-up operations.

### .4 Research and development

The Secretariat successfully organized the third Research and Development Forum on high-density oil spill response in France, from 11 to 13 March 2002 and published in September 2002 the proceedings of the Forum, together with the report containing the Conclusions and Recommendations of the Forum.

### .5 Regional co-operation

The Secretariat successfully organized, jointly with UNEP, a Forum on regional arrangements for co-operation in combating marine pollution incidents. The Secretariat is currently finalizing the proceedings of the Forum which will be issued soon.

### **- OPRC-HNS matters**

3.2 The Secretariat, at the request of the Committee, prepared a draft work programme for the early entry into force and implementation of the OPRC-HNS Protocol which was approved by MEPC 48.

3.3 The Secretariat is currently assisting UK as a lead country in the revision of the Manual on Chemical Pollution, Section 2: Search and recovery of packaged goods lost at sea.

3.4 The Secretariat is launching the process of developing an inventory of available information or sources of information relevant to OPRC-HNS issues which should be placed on the IMO website and kept updated.

## **4 Management of waste disposal at sea**

4.1 The Secretariat assisted the 25<sup>th</sup> meeting of the London Convention Scientific Group (Ocho Rios, Jamaica, 27-31 May 2002) with various activities, including:



- .1 the development of: (1) guidelines for the sampling of sediment intended for disposal at sea for dredged material characterization; and (2) generic guidelines for the selection of physical, chemical and biological variables for assessment of dredged material quality;
- .2 its work on various technical co-operation issues, including (1) the revision of the Long-term Strategy for Technical Co-operation and Assistance under the London Convention 1972 at the request of the Consultative Meeting;
- .3 in-depth discussions on interpretation of “industrial waste” under the London Convention, in particular, related to sea disposal of bauxite residues by Japan; and
- .4 the development of a simplified format to report permits issued to IMO.

4.2 The Secretariat assisted with the conduct of the second and final meeting of the IMO/LC Working Group (17 June 2002). This Group was tasked to carry out a comprehensive study on various aspects of the London Convention 1972 and its 1996 Protocol, in comparison with IMO instruments. The recommendations of the Working Group are presented in separate submissions to the Council (C 89/8/1) and the Twenty-fourth Consultative Meeting (LC 24/4).

4.3 The Secretariat prepared and will assist the Twenty-fourth Consultative Meeting of the London Convention (11-15 November 2002), the outcome of which will be presented to the Council in document C 89/8/Add.1.

## **5 GESAMP**

5.1 The Secretariat organized the 32<sup>nd</sup> session of GESAMP, which was held at IMO from 6-10 May 2002. The report of this session will be published early 2003.

5.2 On behalf of the eight Sponsoring Organizations of GESAMP the Secretariat contracted a consultant to develop a Strategic Plan for the future of GESAMP. This Strategic Plan will be based on the recommendations of the independent and in-depth evaluation of GESAMP conducted in 2001. The main conclusion of that evaluation report was that GESAMP should continue, provided that major changes are effected in its structure, operational procedures and products.

## **6 Follow-up to UNCED and the World Summit on Sustainable Development**

6.1 The Secretariat participated in the second, third and fourth preparatory meeting of the WSSD. The Secretariat presented the IMO's report to the Second PrepCom and introduced the IMO's position paper and IMO's partnership to strengthen the implementation of Agenda 21 to the fourth PrepCom.

6.2 The Secretariat participated in the World Summit on Sustainable Development (Johannesburg 26 August to 4 September 2002) and provided information on IMO's achievements in implementing Chapter 17 of Agenda 21. The Secretariat proposed a pamphlet on IMO's key contribution “Ships and the sea – vital to sustainable development”, which was submitted to the Commission on Sustainable Development and distributed at the Summit Conference Centre and the pavilion IMO set up together with GEF and UNIDO in the Water Dome established for the Summit.

6.3 The Summit provided the opportunity for the Secretariat to present initiatives and partnership proposals on the management of ballast water (GloBallast), the Marine Electronic Highway (MEH) project for the Malacca Strait, and the PEMSEA programme.

## **7 Technical co-operation and institutional development: implementation of environmental programmes**

7.1 The Secretariat has continued to co-ordinate and manage environmental programmes and the provision of technical co-operation assistance through the IMO Integrated Technical Co-operation Programme and specifically the Sub-Programme for the Protection of the Marine Environment. A number of activities have taken place during the period in consideration with a view to assisting in the implementation of the provisions of the relevant IMO conventions (OPRC, MARPOL, LC and PSSAs). In this respect, the Secretariat carried out activities aiming at:

### **.1 OPRC**

- development of national systems for pollution preparedness and response;
- training in the field of pollution preparedness and response through the implementation of IMO model courses programme;
- development and implementation of the IMO/Industry global initiative on oil pollution preparedness and response;
- development of regional systems for pollution preparedness and response:

During the period in consideration two regional contingency plans were finalized ready for signature (SACEP region and Black Sea region). Two are close to being finalized (NOWPAP region and Caspian region) and one is still under preparation (Indian Ocean);

- management and support to the regional centres and programmes (REMPEC Mediterranean region and REMPEITC Wider Caribbean):

The Secretariat carried out intensive work in the negotiation and finalization of a Memorandum of Understanding between the Ministry of traffic and transport of the Netherlands Antilles, UNEP and IMO for the RAC/REMPEITC-Carib which was signed on 26 September 2002 in Caracao.

- co-operation with and support to regional centres or Regional Seas Secretariats (ROMPE/MEMAC Gulf region – MER/RAC North West Pacific; ERAC – Black Sea region; and SACEP Secretariat – South Asia; SPREP Secretariat – Pacific PERSGA Secretariat - Red Sea and Gulf of Aden, and CPPS – Pacific South East.

### **.2 MARPOL**

- implementation and enforcement of MARPOL and related codes; and
- promotion of the provision of port reception facilities.

.3 LC

The Secretariat organized jointly with UNEP the Workshop on Marine Pollution Prevention and Environmental Management in Ports in the Wider Caribbean Region (Jamaica, 20-24 May 2002). This Workshop addressed issues on the agenda of IMO, London Convention and UNEP, was fully funded by Contracting Parties to the London Convention 1972 and was hosted by the Ministry of Transport and Works in Jamaica. The recommendations of the Workshop were presented to MEPC in document MEPC 48/20.

.4 PSSAs

- to increase awareness on the PSSAs concept and the relevant IMO guidelines:

The Secretariat, following the request made by the Philippines Authorities, initiated the organization, back-to-back with the International Tropical Marine Ecosystems Management Symposium, of an international seminar and a regional workshop on Particularly Sensitive Sea Areas in Manila, Philippines. These events, which were scheduled to take place in November 2002, have now been rescheduled to March 2003.

7.2 The Secretariat has continued to implement projects that are financed through outside sources. IMO, as executing agency, is currently implementing:

.1 Three GEF projects:

- a five-year GEF/UNDP/IMO project on building partnership for environment protection and management of the East Asian Seas which commenced October 1999;
- a four-year GEF/UNDP/IMO project on Removal of Barriers to the Effective Implementation of Ballast Water Control and Management Measures in Developing Countries – GLO/99/G31/A/1G/19 which commenced March 2000; and
- a 32-month GEF/World Bank/IMO PDG/Block B grant Project on Development of a Regional Marine Electronic Highway (MEH) in the East Asian Seas with a first phase in the Straits of Malacca and Singapore, which commenced March 2001, ending December 2002. The Secretariat finalized, in August 2002, the preparation for a four-year demonstration project for the development of the Marine Electronic Highway in the Strait of Malacca and Singapore which has been submitted to the GEF/World Bank for funding.

.2 One UNEP project:

- The Secretariat, under an IMO/UNEP project, is managing since 1976 the Regional Centre for the Mediterranean region, REMPEC. In addition, the Secretariat supervised and monitored two EU-LIFE projects (Turkey CP in port and Syria NCP), and one EU-MEDA project (port reception facilities), all of which are directly implemented by REMPEC.

7.3 The Secretariat, under Letters of Agreement, signed with UNDP within the framework of the Caspian Environment Programme and with the World Bank within the framework of a GEF project on combating oil pollution in the Indian Ocean, is currently finalizing draft regional contingency plans for the Caspian region and for the Western Indian Ocean area respectively.

7.4 The Secretariat participated in the last GEF Assembly in October this year.

7.5 The Secretariat prepared and submitted to the MEPC 48 revised thematic priorities for future technical co-operation activities and proposed contributions for the overall IMO ITCP for 2004-2005.

## **MAJOR PROGRAMME 4: LEGAL AFFAIRS**

This major programme comprises:

1. Development of International Maritime Law
2. Provision of Legal Advice to the Organization
3. Performance of Depository and Related Functions
4. Litigation
5. Technical Co-operation

These services have been delivered according to plan.

### **1 Development of International Maritime Law**

1.1 The Legal Office provided assistance of a legal and drafting nature to the Legal Committee in its deliberations on the development of an international convention on wreck removal, the review of the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation, 1988 and its Protocol of 1988 relating to Fixed Platforms Located on the Continental Shelf.

1.2 The Legal Office also provided advice, both written and oral, to governmental and non-governmental organizations, as well as to different sectors of the maritime industry in response to consultations of a legal kind on matters concerning development of international law within the purview of IMO.

1.3 Members of the Legal Office delivered papers to professionals and students visiting IMO on matters concerning the development of international maritime law. They also participated either as lecturers or observers at several meetings of intergovernmental/non-governmental organizations.

### **2 Provision of Legal Advice to the Organization**

2.1 Advice provided by the Legal Office in this respect includes:

- Requests for legal advice from Member Governments;
- privileges and immunities;
- legal issues governing the work of IMO staff;
- agreements of co-operation between IMO and Member Governments/Organizations; and
- advice and assistance, as necessary, to other divisions and offices of the Secretariat on legal issues arising in the course of their work, or in connection with the relations of IMO or the Secretariat with other bodies.

2.2 In addition to servicing the work of the Legal Committee, the Legal Office continued to respond to all legal questions referred to it in connection with the work of the Council, the other Committees, intergovernmental bodies of IMO, and the Meeting of Contracting Parties to the London Convention, and provided advice or undertook studies as were required.

### **3 Depository and Related Functions**

3.1 The Legal Office continued to perform the depository and related functions assigned to the Secretary-General and the Organization in respect of the multilateral treaty instruments deposited with IMO. These functions included the preparation of authentic texts of IMO treaty instruments and of certified copies of them, monthly updating of the status of acceptance of IMO treaties, and provision of daily advice to Governments on the procedures regarding deposit of instruments of ratification or accession regarding IMO conventions.

### **4 Litigation**

4.1 The Legal Office advised the Secretary-General and the Administrative Division on legal and related administrative questions pertaining to the implementation of the Staff Regulations and Staff Rules, the 1947 Convention on the Privileges and Immunities of the Specialized Agencies as applicable to IMO, and the Headquarters Agreements between IMO and the Government of the United Kingdom, the Government of Sweden and the Government of Malta. The Legal Office also continued to support the Administrative Division in the drafting of amendments to the Staff Regulations and Staff Rules and to execute its responsibility regarding appeal cases before the United Nations Administrative Tribunal.

### **5 Technical Co-operation**

5.1 The Legal Office continued to provide back-stopping assistance to the Technical Co-operation Division, in the implementation of technical assistance projects, especially in the field of maritime legislation and the training of personnel in various aspects of maritime legislation and maritime administration. Advice included preparations of terms of reference for consultants and vetting of mission reports prepared by consultants.

## **MAJOR PROGRAMME 5 - FACILITATION OF MARITIME TRAFFIC**

This major programme comprises:

1. Direction and management;
2. Amendments to, and implementation of, the FAL Convention
3. Technical Co-operation and Institutional Development: Implementation of the FAL Programme

### **1 Overview**

1.1 Since May 2002, there has been no meeting of the FAL Committee and, therefore, during the interim period, the Secretariat has continued to monitor incidents of stowaways globally, record incidents reported to IMO and produce quarterly circular, which provides information on reported incidents of stowaways. In addition to the preparatory work for the 30<sup>th</sup> session of the FAL Committee, the Secretariat attended meetings of the WTO Informal Meeting of the Council for Trade in Goods (CTG) on Trade Facilitation.

## **MAJOR PROGRAMME 6 – CROSS SECTORAL ACTIVITIES**

This major programme comprises:

1. Direction and management
2. Flag State implementation
3. Port State control
4. Ship casualties
5. Survey and certification
6. Dry cargoes: Review of the INF Code and related matters
7. Formal Safety Assessment
8. Co-operation with the United Nations and other International bodies
9. Maritime Security

### **1 Overview**

1.1 The Secretariat has been fully involved in follow up actions to the tenth session of the FSI Sub-Committee, including advice on the flag State Performance Self Assessment Form (SAF) with the associated criteria and performance indicators contained in resolution A.912(22) and entering into an appropriate database the information contained in the various SAFs submitted. The Secretariat continues to maintain a rapidly expanding database on casualties, which supports the work of the correspondence group and the FSI Sub-Committee on casualty analysis, including the analysis of human factors in ship casualties. The Secretariat has also continued to address issues relating to the training of surveyors and inspectors on flag State implementation and port State control matters and updating of the substantial database and port State control deficiencies and the corresponding flag State comments. The Secretariat maintains relevant databases on maritime security issues, which involve the preparation of statistics and associated circulars on piracy and armed robbery against ships, stowaways and trafficking or transport of migrants by sea.

1.2 During the period under review, as a follow-up to Assembly resolution A.682(17) on the promotion of regional agreements on port State control (PSC), the Secretariat has monitored the progress of all regional PSC agreements and attended a PSC MoU Committee meeting. In this regard, work to promote the harmonization of PSC activities is continuing and a second Workshop for Secretaries of regional port State control (PSC) Agreements and Directors of Information Centres was held at the IMO Headquarters in July 2002.



1.3 The Secretariat has continued to monitor on going intersessional work relating to a number of projects on the implementation of the Formal Safety Assessment approach with regard to various types of ships such as bulk carrier.

1.4 Co-operation with, and monitoring the work of, the intergovernmental bodies and international organizations on matters of mutual interest has continued during the period under review. In this regard and pursuant to Assembly resolution A.920(22) on “Review of safety measures and procedures for the treatment of persons rescued at sea,” a meeting was organized between representatives of the United Nations Division for Ocean Affairs and the Law of the Sea, the Office of the United Nations High Commissioner for Refugees (UNHCR), the UN Office for Drug Control and Crime Prevention (ODCCP), the Office of the UN High Commissioner for Human Rights (UNCHR), the International Organization for Migration (IOM) and the IMO Secretariat (Co-ordinator) at the UNHCR Headquarters on 2 and 3 July 2002 to promote the Secretary-General’s initiative for the development of a mechanism enabling the competent United Nations agencies and programmes to respond to emergency situations involving persons rescued at sea in an efficient and co-ordinated manner.

1.5 In September 2002, the Secretariat participated in a meeting in Sweden convened to progress the matter addressed in resolution A.920(22).

## **MAJOR PROGRAMME 7 – TECHNICAL CO-OPERATION AND INSTITUTIONAL DEVELOPMENT**

This major programme comprises:

- 1 Direction and management
- 2 ITCP: strategy and programme development
- 3 Resource mobilization within a tripartite relationship
- 4 Management of ITCP execution
- 5 Programme implementation
- 6 ITCP monitoring and impact assessment
- 7 Training and institution support

### **1 Overview**

1.1 The Technical Co-operation and Institutional Development Programme is an umbrella programme, comprising a cross-divisional network of functions which links all the Organization's technical co-operation management and implementation functions, including programming, resourcing, execution and monitoring of the Integrated Technical Co-operation Programme (ITCP). In this respect, operative paragraph 3 of resolution A.901(21) states that IMO's mission statement, in relation to technical co-operation, is to help developing countries improve their ability to comply with international rules and standards relating maritime safety and the prevention and control of marine pollution, giving priority to technical assistance programmes that focus on human resource development, particularly through training, and institutional capacity-building. Accordingly, the mission statement forms the cornerstone of the Organization's work under the Major Programme 7.

### **2 ITCP: strategy and programme development**

2.1 The central tool for planning and delivering technical assistance is the ITCP and, in this regard, the Technical Co-operation Committee (TCC) follows its established sequential process of conceptual development, programming and financial planning, resource allocation, monitoring and impact assessment. This sequential methodology for the ITCP cycle is supported by the Technical Co-operation Division (TCD) through the exercise of its oversight and coordination role within the Secretariat, as well as its reporting functions to IMO's governing bodies on all matters relating to the development and management of the programme.

2.2 The reform of the ITCP-building process, which was initiated by the TCC in the last biennium, was carried forward and further improved in the planning and construction of the ITCP for 2002-2003, taking fully into account the recommendations of the Impact Assessment Exercise (IAE) of 2000. As a result, the ITCP for the current biennium incorporates the new programme approach approved by the TCC, replacing the earlier small-scale projects with thematically focused programmes on a regional and global scale. The programmes under the new ITCP currently number 30, with a planning figure of US\$14 million.

2.3 To facilitate the introduction of the programme approach, TCD developed “Programme Implementation Documents”, which are the initial authority for programme execution and disbursements and set out the respective objectives, target beneficiaries, inputs, expected outputs, activities, financial requirements, and delivery schedules. The documentation for the programmes will continue to be reviewed, updated and improved to keep abreast with developments over the biennium. At the same time, more robust procedures for systematic programme monitoring are gradually being introduced to improve identification of low-performing programmes in order that remedial action may be taken when necessary.

2.4 In this respect, the Secretary-General has taken further steps to improve the delivery of IMO’s technical co-operation activities. As part of the Organizational Review and through the Change Management Programme (CMP), decisions have been taken on improved work procedures and further measures to strengthen and consolidate the management of technical co-operation implementation are currently being introduced. It is anticipated that these measures will impact positively on the effectiveness, quality and timely delivery of the TC programmes. In-depth information on the CMP can be found in document C 89/11/Add.1.

### **3 Resource mobilization within a tripartite relationship**

3.1 Resource mobilization remains one of the priority issues for the Organization, with the consideration of a number of options for diversifying, expanding and strengthening the ITCP resource base to ensure its long-term and sustainable delivery. In this respect, a limited response having been received to the related recommendations of the TCC’s Working Group on Long-term Funding, the Secretariat intends to convene, in 2003, a workshop/meeting of donors, beneficiaries and industry to identify areas of mutual co-operation and related funding opportunities.

3.2 Meanwhile, the ITCP’s resource base continues to include some 30 donors with contributions being made to the ITCP activities either through cash donations or through the Contributions Incentive Scheme. Details on the resources, donors, as well as the delivery, of the ITCP are available in the annual reports (see document TC 51/4/1 and annex in respect of such support during 2001). A major component, which represented some 34% of the delivery of the ITCP resources over the last biennium, is the Technical Co-operation Fund. Further details on the support from the TC Fund can be found in document C 88/19.

3.3 In addition to the foregoing elements concerning financial contributions to the ITCP, the Secretariat continues to mobilize significant in-kind support from a wide variety of sources, including in particular the recipients themselves (see the annex to document TC 51/5/1 in respect of such support during 2001).

### **4 Management of ITCP execution**

4.1 TCD continues to exercise its Secretariat-wide co-ordination functions to ensure effective execution of the ITCP during 2002-2003. This includes: (a) formulation and revision of programme profiles and programme implementation documents (see paragraph 2.3 above); (b) negotiation and preparation of Memoranda of Understanding (MOUs) and other partnership instruments; (c) management, oversight and co-ordination of programme execution through TCD, other Divisions, regional co-ordinators, as well as national and regional bodies; (f) implementation of the Women-in-Development Programme; and (g) management of multi-bi and other donor programmes.

4.2 In this respect, greater emphasis continues to be given to the decentralization of programme implementation to the beneficiaries themselves, in line with the general policies of the UN Systems' operational activities for development. Results of this strategy include the approved continuation of the scheme for regional co-ordination and delivery, which covers: (a) regional presence (i.e. three Regional Co-ordinators in Africa and the Regional Maritime Adviser in the Caribbean, with the proposed extension to the Asia region, through offices in India and Philippines); and (b) continued development of partnerships with national agencies and regional institutions and programmes.

4.3 Concerning partnerships, on-going collaboration with donors is channelled through the IMO/France Protocol, the IMO/Norway Co-operation Programme, and through MOUs with the European Commission, Finland, The Netherlands, Singapore, the United Kingdom, the United States Coast Guard and Hong Kong, China. A new MOU has been recently signed with the Prefectura Naval Argentina for the provision of experts and instructors, on a no-fee basis, to deliver advisory missions and training programmes in the Latin American countries. Additionally, collaboration is also continuing with regional implementation partners in Asia and the Pacific Islands, the Indian Ocean, Latin America and the Caribbean and the Mediterranean.

## **5 Programme implementation**

5.1 Within the Major Programme 7, the Secretariat continues to implement the approved and funded ITCP components. Thirty new programmes became active and operational in 2002 at the regional or global levels, covering all areas of IMO activity. Activities rolled over from the previous biennium continue to be finalized through the remaining small-scale projects, which are closed as they are completed, or through their integration into the new programmes. The principal outputs delivered through the ITCP can be found in the annual reports. The Annual Report on 2001, document TC 51/4/1, provided an analysis of the financial aspects of the programme, as well as reporting on the work accomplished.

5.2 One of the new programmes that the Secretariat launched earlier in 2002 is the **Global programme on maritime/port security**. This programme is being implemented by TCD with technical support from MSD, and funding currently from the TC Fund. The basic objective is to raise maritime security awareness and to train shipping and port personnel to comply effectively with the related measures that IMO has already developed, as well as those that will likely emerge from the Maritime Security Conference to be held in December 2002.

5.3 During 2002 the Secretariat has held successful maritime/port security workshops in Mombasa, Kenya for the Eastern and Southern Africa region, in Singapore for the ASEAN region, in Sydney, Australia for the Pacific Island countries, in Alexandria, Egypt, for the Arab and Mediterranean States, in Montevideo, Uruguay for the ROCRAM region, in Panama for the ROCRAM-CA countries, and the final one for the year was held in Chmielno, Poland for the Baltic Sea region. A further seven seminars are planned for 2003. The Secretariat is also providing Member States with technical assistance in this field through advisory missions when requested under the programme. Further details on the programme are documented in TC 52/5.

## **6 ITCP monitoring and impact assessment**

6.1 Preceding paragraphs have already highlighted the strengthened programmatic and monitoring measures that are currently being introduced to ensure that deliverables are formally benchmarked, low programme performance identified early, and remedial action allow rapidly taken.

6.2 In this context, the Secretariat continues to implement the principal recommendations resulting from the IAE carried out in 2000, especially with regard to programme building and the promotion of TCDC, and additional measures are being developed to improve the preparation of, and the follow-up to, the advisory and training services provided by IMO, which constitute the main deliverables of the ITCP.

6.3 Furthermore, to secure the success of the programme approach, the aforementioned measures will be further strengthened by a new technical co-operation database system, which is currently being developed for introduction during the biennium, together with a new manual documenting procedures throughout the technical co-operation cycle. In addition it is anticipated that the introduction of an integrated computer system in IMO, which is proposed to be operational at the end of the current biennium will also serve to improve the quality, effectiveness and delivery of IMO's technical co-operation activities.

## **7 Training and institution support**

7.1 Institutional development remains a key element of the ITCP, and in this respect the Secretariat provides on-going support to the World Maritime University, the IMO International Maritime Law Institute, the IMO International Maritime Academy, as well as other global training activities and fellowship programmes.

## **MAJOR PROGRAMME 8 – CONFERENCE SERVICES**

This major programme comprises:

- 1 Direction and Management
- 2 Conference Management and Support Services

**The Conference Services have provided logistical support and related services to all IMO intergovernmental meetings.**

### **Conference Management and Support Services**

#### **1 Conference organization and servicing**

1.1 There were 14.5 official meeting weeks in the first nine months of 2002. All the IMO meetings held were organized and serviced as planned. Interpreters in Arabic, Chinese, English, French, Russian and Spanish were recruited for the meetings, as appropriate. The total cost of interpretation was approximately £283,000. Temporary assistance required for logistical support of the above meetings was successfully organized. The total cost of temporary translators was approximately £215,000 and that of temporary General Service staff was approximately £63,000. Expenditure was within the budget allocation.

1.2 Two Intersessional Working Groups on Maritime Security, convened by the Maritime Safety Committee on the basis of an Assembly resolution, as well as other Working Groups and informal meetings were also provided with support. In addition, the IOPC Funds were serviced for seven days of meetings.

1.3 The Conference Services Business Centre, which was set up for the use of delegates during the 21<sup>st</sup> session of the Assembly, has continued to be very successful.

#### **2 Language services**

2.1 All documents related to the IMO meetings were translated into the three official working languages. During the first nine months of 2002, an average of 16,600 pages of documentation were sent for translation into both French and Spanish. All the meeting documents were processed expeditiously in the Word Processing Units.

2.2 The increase in volume of work for the French and Spanish Translation Sections and Word Processing Units, in particular in connection with the Diplomatic Conference on Maritime Security which the IMO Assembly agreed will be held in December 2002, meant that considerable pressure was put on the staff in these services and resulted in the need for overtime and temporary assistance.

2.3 The IMO terminology database is being upgraded with a view to ensuring the maintenance of high quality and timely translation. The new software will be available in the six official languages of the Organization.

## **Documents processing and production**

3.1 On average, 56,000 pages of documents were produced during the first nine months of 2002.

3.2 The large volume of documentation was processed for translation, typing, printing and dispatch as speedily as possible with the help of the computerized monitoring system. The amount of working papers and pages that have to be produced, sometimes overnight, for each of the meetings has stretched the documents processing and production system to the limit. However, digital printing continued to be successful and enabled overtime to be kept to a minimum.

3.3 In accordance with the Council decision at its seventy-eighth session in June 1997 on the development of an Internet-based Bulletin Board System for the electronic distribution of IMO documents, documents have continued to be circulated to Member States in printed form as well as being available in electronic form. The Council also decided at that time that, at a later stage and in the light of the experience gained, the Secretary-General would review the situation in this regard. To enable the Secretary-General to carry out an appropriate review, Circular letter No.2381 was sent in May 2002 to Member States attaching a questionnaire in order to ascertain the reasons why the IMODOCS website is not used by some Member States. As at the end of September 2002, four replies had been received.

## **MAJOR PROGRAMME 9 – ADMINISTRATIVE SERVICES**

This major programme comprises:

1. Direction and Management
2. Financial Services
3. Personnel Services
4. Office Services
5. IT and Office Automation Services
6. Publishing Service

### **Direction and Management: Overview**

1 Work on the implementation of the MANNET reforms and on the prospective ERP which initially impacts mainly on the Finance and Personnel Services has broadened to include all AD Services (Publishing, IT and Office Services). The development of an ERP specification and subsequent tendering and procurement has required close team-working. In terms of the management of the Headquarters premises, the major replacement programme by the United Kingdom Government of the chiller units, which provide cooling for the air conditioning system, required extensive support from the Building Management Unit (BMU). The BMU has also worked with consultants recruited by the United Kingdom Government to provide an options appraisal of the future capital refurbishment requirements for the Headquarters premises. A substantial major workload is envisaged over the next five years. In that context, an earlier plan to integrate the functions of the Building Manager with the Head of Facilitation Management proved impracticable. A qualified and experienced Building Manager has now been appointed. The Publishing Service has strengthened its e-commerce business activities and thereby widened customer access to the Organization's instruments. Finally, the Organization's IT programme concluded successfully the replacement of the LAN system with a fibre-optic technology. This was implemented without downtime.

### **Financial Services**

2 The Financial Services have continued to meet the ongoing financial accounting, management accounting, treasury functions and the provision of income and expenditure reports. In addition, deadlines for issuance of status of contributions and reminders to Members falling under Article 56 have been met. The expenditure functions included preparation of a monthly payroll within the target date and timely settlement of vendor claims and weekly/monthly payments to short-term temporary assistance. The final accounts of the Organization for the biennium 2000-2001 were completed at due dates and were submitted to the External Auditors. Audit observations were systematically followed-up and reported to the Council which were concluded in discussion with the Intersessional Working Group on Accounts and Audit in October.



### **Personnel Services**

3 The management of the Organization's Human Resources has largely focussed on the administration of the Pay and Benefits system in accordance with the UN standards and the Organization's Staff Rules and Regulations. This has, among other things, entailed working closely with the ICSC in developing a new General Service salary scale for London, which has now been implemented.

4 The Personnel Section has played an important role in facilitating the implementation of the recommendations for organizational change by inter alia seconding on Personnel Officer to work as a Change Facilitator on a full-time basis. The Personnel Section has developed a framework for reforming the traditional, allowance-based personnel work to provide a more responsive HR service, supporting management in key areas – recruitment and performance development.

5 The Personnel Section has also been heavily involved in developmental work on computerizing procedures, most notably a new leave recording system.

### **Office Services**

6 The key objectives of the Office Services programme is to provide to delegates and staff a secure and conducive working environment in which to operate. The programme continues to work closely with the United Kingdom Department of the Environment, Transport and the Regions (DETR) on the building maintenance and refurbishment programme. The installation of new air conditioning units was completed by the DETR on 7 August 2002 and handed to the IMO BMU.

7 The Administrative Division continues to review and keep up to date with market developments to ensure that goods and services are procured at the most competitive rates. Arrangements are under way to further enhance security within the Building by the installation of a barrier system. Since the start of this year, staff contracts for catering staff have been regularized. The Cafeteria will continue to provide a catering service to the highest standards within the Building.

### **IT and Office Automation Services**

8 The Service continues to integrate Information Technology into the work processes for the delivery of programmes and in meeting Member States needs. In this respect:

- (i) A new Local Area Network infrastructure was installed between December 2001 and March 2002 to replace the aging Token Ring network. The new system is running smoothly, providing staff with faster access to documents on the network, and providing member states with faster access to IMO documents via the World Wide Web. The new LAN infrastructure is based on Ethernet technology. It consists of fibre optics backbone and Gigaspeed copper cables to the desktop. In addition, wireless LAN technology was implemented in conference rooms. The network is scalable, allowing the organization to accommodate future developments in Information Technology and growth in the number of users at IMO, and has facilities for deploying not only data, but also voice and video. The security on the IMO network has been further strengthened with a two layer firewall.

- (ii) As part of the business continuity plan, options for provision of an external stand-by site continue to be explored. Also arrangements have reached an advanced stage with the UN International Computing Centre in Geneva to use their site as a backup site in the unlikely event of London being inaccessible.
- (iii) A number of systems have been developed or enhanced to improve the management of information. These include the leave recording system, payroll system, STCW – online certificate verification facility with secure direct link to focal points and web site of administrations and the e-Commerce site for the sale of IMO publications. Work also commenced on a number of software initiatives namely: Intranet, Translation assistance system, the Computerization of the List of Participants at IMO meetings which is on the point of going live, and MEPC - Electronic database for the Condition Assessment Scheme (CAS) is in preparation.

### **Publishing Service**

9 The Publishing Service continued to publish and disseminate the Organization's work programme in the form of printed publications and CD-ROMs. Internal printing facilities are now well consolidated and output has significantly increased since the new system of shift was introduced two years ago. Carefully targeted capital investment is being considered within the current biennium and proposals are submitted to the Council for a supplementary estimate. A number of new titles have been released in the English language as well as the other five official languages.

10 The new 'corporate' graphics image has met with great success and is being applied to other parts of the Secretariat, including the IMO homepage. IMO's sales and marketing activities have consolidated their new online purchasing facilities which are being increasingly utilized by customers. The first "virtual publications", i.e. electronic publications down loadable from the IMO Website, will be the IMDG Code and SOLAS. Both are scheduled to be available for sale in the Spring of 2003. Sales of IMO publications continue to be on target.

## **MAJOR PROGRAMME 10 - EXTERNAL RELATIONS AND INFORMATION SERVICES**

This major programme comprises:

1. External Relations
- 1.2 Information Services

### **1 External Relations**

1.1 These programmes have been delivered according to plan.

1.2 The External Relations Office has continued to co-ordinate the relations of IMO with the United Nations and its specialized agencies, including the contributions of IMO to the work of the United Nations Chief Executives Board for Coordination (CEB) (formerly ACC) in 2002 and to its two High Level Committees and its network of focal points; organized the consideration and response to invitations to IMO to attend meetings and exhibitions sponsored by organizations in the UN system and those sponsored by intergovernmental and non-governmental organizations; considered requests by Member States for the use of the name and logo of the Organization as a co-operating body; co-ordinated the relations of IMO with intergovernmental organizations, including the preparation of agreements or arrangements of co-operation and implemented the procedures and guidelines on the granting of consultative status to interested non-governmental organization; invited nominations for the 2002 International Maritime Prize and initiated arrangements for the award for the Prize for 2001 and the commemoration of the World Maritime Day 2002; organized group visits to IMO in response to requests from academic or other institutions; responded to enquiries and requests for attachments to the Organization and co-ordinated the activities of the interns during their attachment at IMO; prepared letters and communications of a protocol character in connection with the arrival and departure of Ambassadors/High Commissioner and the accreditation of Permanent Representatives of Member States to IMO and other members of Permanent Missions; liaised with Missions in London to update the lists of Heads of Diplomatic Missions in London, Permanent Representatives, among other important activities entrusted to this Office.

1.3 The Office has also continued to serve as a focal point for initiatives to promote acceptance of the 1991 amendments to the IMO Convention regarding the institutionalisation of the Facilitation Committee, provided advice to other divisions on external relations issues; co-ordinated the designation by Member States of Focal Points for communication with the Secretary-General and prepared information sheets on Member States in connection with official visits by the Secretary-General.

### **1.2 Information Services**

1.2.1 External Relations Office continued to be the focal point of the Organization's external outreach. Public Information Services (PIS) and the Library Services handle public enquires based on the information produced by the Technical Divisions and the maritime industry as a whole. PIS is responsible for creating original text for, and updating and maintaining large parts of the IMO website, including summary reports of all IMO meetings. The website has now become a valuable resource in meeting external demands for information. The unit also prepares and issues press releases (a total of 23 in the first six months of 2002) and co-ordinates relations with the media.

1.2.2 PIS continues to produce initial drafts for the Secretary-General's speeches for external fora as well as the message and background paper for World Maritime Day. PIS is responsible for the editorial content and design of *IMO News* as well as for the maintenance of the extensive distribution list (10,000 readers worldwide). IMO Focus papers continue to be updated by PIS in co-ordination with the Technical Divisions. An electronic and "hard copy" photo library has been established and members of the IMO Secretariat have been using this as a resource for their own presentations. PIS continues to offer presentations to groups of visitors to IMO, such as maritime students and members of national delegations, and to new IMO staff members. This year PIS had produced a special brochure for distribution at the World Summit on Sustainable Development in Johannesburg and assisted in the production of a multi-media presentation for that event.

1.2.3 As well as providing traditional reference services to staff, delegates, researchers, students and the public at large, the IMO Library Services respond to many worldwide e-mail requests for information. Enquirers are provided with materials, documents, bibliographies and information sheets drawn from the Library databases or they are referred to other organizations if applicable. Six new issues of the Current Awareness Bulletin and new acquisitions lists have been produced and posted on the web. The IMO Library Services also monitor for the Secretariat and regional offices, the trade, legal and technical press together with various external newswires on a daily basis. The catalogue of books/reports/ selected IMO documents has reached over 10.500 records and the database of bibliographic details of articles over 54.000 records (both catalogues 1991 to date).

1.2.4 The Library Services are responsible for the Information Resources section of the website and maintain information resources documents on current topics. In addition, the Directory of Maritime Links on the website has increased to 2000 links, thereby giving the maritime community direct access to a large array of websites of interest. The Librarian chairs the meetings of the Website Steering Group when new issues require discussion and works in partnership with the Marine Environment Division on the United Nations Atlas of the Ocean which was launched in June on the web.

\*\*\*

## ANNEX 2

## EXPENDITURE FORECAST AS AT 31 OCTOBER 2002

(expressed in UK£)

2001	MAJOR PROGRAMMES	APPROPRIATIONS	EXPENDITURE			BALANCE
Outturn		ANNUAL	DISBURSEMENTS	ULOs	TOTAL	OF APPROP.
876,113	1 General policy and direction	675,400	498,700	193,200	691,900	(16,500)
1,754,860	2 Maritime Safety	1,906,600	1,462,300	413,400	1,875,700	30,900
1,244,039	3 Marine Environment Protection	1,443,600	940,500	434,800	1,375,300	68,300
495,655	4 Legal Affairs	676,400	379,700	259,100	638,800	37,600
132,544	5 Facilitation of Maritime Traffic	183,600	132,100	35,300	167,400	16,200
506,909	6 Cross Sectoral Activities	561,200	361,700	182,400	544,100	17,100
1,550,921	7 TC and Institutional Development	1,701,600	1,184,300	480,300	1,664,600	37,000
4,459,604	8 Conference Services	5,035,700	3,459,800	1,250,800	4,710,600	325,100
3,942,961	9 Administrative Services	4,030,400	3,049,700	1,065,200	4,114,900	(84,500)
717,274	10 External Relations and Information Services	782,800	607,200	219,200	826,400	(43,600)
<b>15,680,881</b>	<b>Total Programme Expenditure</b>	<b>16,997,300</b>	<b>12,076,000</b>	<b>4,533,700</b>	<b>16,609,700</b>	387,600
3,442,732	General Operating Expenses and Headquarters Premises	3,718,300	2,258,600	1,532,300	3,790,900	(72,600)
-	Estimated staff turnover level	(136,000)	-	-	-	(136,000)
<b>19,123,613</b>	<b>Total Appropriation/Expenditure</b>	<b>20,579,600</b>	<b>14,334,600</b>	<b>6,066,000</b>	<b>20,400,600</b>	<b>179,000</b>
-	Direct and indirect cost recovered from the Printing Fund	(802,900)	-	(782,100)	(782,100)	(20,800)
(437,945)	Reimbursement of Technical Co-operation support costs	(274,200)	-	(400,000)	(400,000)	125,800
<b>18,685,668</b>	<b>Total</b>	<b>19,502,500</b>	<b>14,334,600</b>	<b>4,883,900</b>	<b>19,218,500</b>	<b>284,000</b>



**Estimated budgetary transfers between Major Programmes**

	<b>Transfer from Major Programme</b>	<b>Amount</b>			<b>Transfer to Major Programme</b>
		£			
8	Conference Services	16,500		1	General policy and direction
		84,500		9	Administrative Services
		72,600			General operating and HQs premises
		6,000		10	External Relations and Information Services
4	Legal Affairs	37,600		10	External Relations and Information Services

\*\*\*





## ANNEX 4

<b>Cost change analysis first year of 22nd financial period</b>		<b>2002</b>
<b>Cost increases</b>		<b>£</b>
Retrospective GS salary increase		(116,500)
Jointly financed UN bodies		(70,000)
Subsidy on catering facilities		(30,000)
Recruitment expenses		(95,000)
<b>Programme change</b>		
Representation at intergovernmental meetings		(31,900)
Technical Advisor Maritime Security in-year cost		(55,800)
Replacement costs of staff to support the change in Administrative processes		(93,700)
<b>Cost savings</b>		
Estimated increase in TC support cost reimbursement		125,800
£/\$ exchange gain due to \$ depreciation		74,600
Staggering of recruitment to vacant posts		506,500
Freeze on cost of living adjustment - Professional staff		70,000
Forecast balance of appropriation		<b>284,000</b>

\*\*\*



## ANNEX 5

	£
<b>Forecast accumulated cash surplus as at 1 January 2003</b>	<b>3,636,309</b>
Less:	
<b>Indicative Capital investment programme 2003</b>	
Capital cost ERP                      £1,200,000 to                      1,575,000	
Replacement staff and quality assurance	327,000
<b>ERP implementation</b>	<b>1,902,000</b>
Major building repairs	430,000
Furniture and office equipment	280,000
Improving Office Information Technology	735,000
Replacement of digital printing equipment	600,000
<b>Other capital investments</b>	<b>2,045,000</b>
<b>Sub-total funds required for HQs Capital Fund</b>	<b>(3,947,000)</b>
Training and development	(200,000)
<b>Forecast accumulated cash deficit as at 31 December 2003</b>	<b><u>(510,691)</u></b>